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## CITY GOVERNMENT IN CANADA.

A CANADIAN does not need to be a very old man, it has recently been said,<sup>1</sup> in order to remember the time when it was generally supposed that the copy we had made in this country of British institutions was an effectual safeguard against the evils of democracy. We looked across the border, and according as our thoughts reverted more naturally to Scripture or to the classic poets, we would either thank God that we were not as those republicans, or murmur after Lucretius :

Suave mari magno turbantibus aequora ventis  
E terrâ magnum alterius spectare laborem.

The writer thus quoted had in mind only our federal and provincial government. As for our civic organization, it is more immediately American than English. But the sentiment of self-gratulation that is noted has not wholly passed away ; and it still exists in a modified way also for our city government. Some Canadians would perhaps deny sharing in such a mood. But the disclaimer would likely come, in most cases, from people not too familiar with their municipal history. For the conditions of settlement of the country, in particular the nationality of our immigrants, have been peculiarly favorable to the development of a satisfactory system of local government. And it will be found that civic organization in the greater part of the Dominion is not without its characteristic, and no less its hopeful, features.

It is interesting to note that during the last generation and a half municipal problems have never violently agitated the Canadian public. The reason is, in the main, that they have been disposed of almost simultaneously with their public appearance. This summary dealing with municipal matters, from ses-

<sup>1</sup> W. D. Le Sueur, in *Queen's Quarterly* (Kingston, Ontario), January, 1895.

sion to session of the provincial legislature, has been possible through the tardy growth of Canada's population, which has not advanced, either generally or locally, by leaps and bounds as in the United States. In fact, it can be said at once that the rise of great cities is scarcely yet a feature in the growth of Canada's population. Only two cities have a population of over 100,000 inhabitants: Toronto, estimated at 210,000, and Montreal, at 260,000 or — including the outlying municipalities, which may be considered as forming part of the city — 300,000. Winnipeg, Vancouver, B. C., and Calgary, N. W. T., which show signs of becoming, along with Montreal and Toronto, great emporiums of trade, are all three cities of less than forty thousand. This, indeed, may practically be said of all the cities outside of Ontario and Quebec. The largest twenty cities of the Dominion, according to the census of 1891, had a general average of but 41,500, or, excluding Montreal and Toronto, of 24,000. Their present average will probably be from 10 to 20 per cent higher. In the United States in 1870 places of 8000 or more inhabitants contained nearly 21 per cent of the entire population; in 1880, 22.57 per cent; and in 1890, 29.20 per cent. In Canada in 1871 only 13.01 per cent of the population lived in cities and towns of over 5000 inhabitants; in 1881, 16.91 per cent; and in 1891, 21.09 per cent. Were the basis of the calculation 8000, as in the United States, the percentage for Canadian cities and towns would be much smaller.

But the increasing concentration of population that has caused such changes in economic and political conditions in the various countries of the world is not absent in Canada. Rural population in the more settled districts has become sparser than it was ten or twenty years ago. And, in spite even of the great extension of settlement in "the virgin province" of Manitoba and the Canadian West, the number of people living in the towns and cities has been steadily growing. From figures in the first volume of the census returns for 1891, one-fourth of Canada's increase in population between 1871 and 1891 is ascribed to cities and towns of over 5000 inhabitants. Conversely, for the rural regions, although the figures are not in

themselves quite conclusive, while the area of "improved land" in the Dominion advanced in the decade preceding 1891 somewhat over 6,638,000 acres, the number of "farmers and farmers' sons" shrank from 656,712 to 649,506.<sup>1</sup> In the Province of Ontario population increased between 1878 and 1896, according to the reports of the Bureau of Industries (Toronto), from 1,652,686 to 1,972,286, or 19.3 per cent. Yet, despite a great expansion of the dairy business, there was a decrease in rural population of 1.1 per cent, while the population of towns and villages increased 37.8 per cent and that of cities somewhat over 100 per cent. These figures will very probably apply generally to the other provinces of eastern Canada as well, with the possible exception of Quebec. Lack of adequate returns of the actual population prevents a more exact statement. The figures given are certainly sufficiently significant for those in Canada who are beginning to give more attention to matters municipal.

Canadian cities, we have seen, are not large; neither is their history long. The oldest incorporated city is St. John, N. B., now attracting considerable attention as an alternative shipping port with Halifax. St. John was incorporated in 1784, the year following the landing of the American Loyalists, who numbered for this locality about 5000.<sup>2</sup> Its present population is about 40,000. Quebec and Montreal, much older and more important settlements, followed it in 1832, though four years later their charters were suspended until 1840. Toronto received its incorporation in 1834, the year preceding the great English Municipal Corporations Act; Halifax in 1841; Kingston and Hamilton in 1846; Ottawa in

<sup>1</sup> These figures do not include such "agriculturists" as stock-raisers, apiarists, nurserymen, *etc.*, nor "farm laborers." See the second volumes of the census reports for 1881 and 1891.

<sup>2</sup> The landing of the Loyalists is given as on the 18th of May, which is celebrated at present as St. John's natal day. This large immigration into the valley of the St. John River led at the same time to the establishment of the Province of New Brunswick. The city's charter, which it has been said was modelled on that of New York, from which place many of the refugees had come, is in some details quaint and entertaining. Cf. a general reference in *Encyclopedia of Canada*, V, 256.

1854; New Westminster in 1860; Victoria in 1862; Winnipeg in 1874; St. Thomas in 1881; Vancouver in 1886; Windsor in 1892; Calgary in 1893.

It is thus also clear that city government in Canada has not yet undergone the straining and testing that inevitably come with huge aggregations of population, and that its history will not be, on the whole, so dramatically interesting as that, for example, of many American towns. Yet the same tendencies that have appeared so prominently in the history of many cities in the neighboring Republic have also made themselves felt at times in Canada; and it is interesting to note some of the conditions, influences and measures that have assisted in combating them — the more so as some of the measures have enjoyed considerable success.

Looking beyond the city for a moment, the county, which occupies a position of prominence in Ontario and the East, is not met with in the provinces farther west. There its place is taken by the less highly organized rural municipality.<sup>1</sup> In Nova Scotia and New Brunswick the unit of local government outside the towns is the county. In the latter province the principal places, such as St. John, Moncton, St. Stephen and Campbellton, as well as certain important parishes, are also represented in the county councils. Thus, from the point of view of non-urban local government, Canada falls logically into three divisions: the Maritime Provinces, with the county as the

<sup>1</sup> Possibly the simpler system of the West may be instructive in this respect for the rest of Canada. In Ontario and Quebec the county was at its institution merely an electoral district. In Nova Scotia the county was created, in preference to the smaller municipal unit, to guard against the spread of New England democracy, which had been so successfully fostered in the town meeting. But the tendency has been toward uniformity of system, and at present the county organizations in the three provinces resemble one another not only in general outline but also in many important details. Some time ago the complaint of "over-government" was raised in Ontario against the multiplication of administrative units: village, township, county, province. Since then the system of county representation has been simplified. Now, however, another matter is demanding attention — namely, the jurisdiction of the county court, which, because of its expensiveness, it seems advisable to restrict in favor of the division courts. On this important matter, see the reports of the Inspector of Legal Offices and of the Inspector of Division Courts for 1898.

unit; Quebec and Ontario, with the mixed county-township system; and the West, including Manitoba, with the pure township system. In this outline there is considerable parallelism to the distribution of local-government systems in the American Union, as the readers of Mr. Bryce<sup>1</sup> will recall. In Ontario and Manitoba, cities are incorporated under general statutes, by which a population of a certain size and density may be proclaimed a city by the Lieutenant-Governor;<sup>2</sup> in other parts of Canada this is done by special legislation. To some other special features we shall refer directly. One of the most prominent among these is the control of the liquor patronage, which in the West and, since 1896, in New Brunswick as well has been placed in the hands of provincial commissioners; but in the East, with the one exception just named, it rests still with the cities.

But in a study of city government the character of the administration is the line of division, rather than the relation between the various municipal units: and, although there is noticeable throughout the Dominion a gradual approximation to one type of city government, urban Canada may be divided roughly into two great sections, chiefly on grounds of administrative organization, but to a certain extent of historical association as well. In the West, Ontario, Manitoba, British Columbia and the Northwest represent a tolerably uniform area. For this section, owing largely to the fact that so many Ontario men have accepted municipal appointments or entered upon the practice of law in its leading cities, the municipal system of Ontario has in many respects served as model. In the East we may class Quebec Province, which on various grounds might lay claim to a position apart, with the Maritime Provinces and Newfoundland, though the last forms as yet no part of the Dominion.

It is from the United States, as already observed,<sup>3</sup> that

<sup>1</sup> American Commonwealth, vol. i, ch. xlviii.

<sup>2</sup> Usually, however, a special act of Parliament is passed, declaring the town a city and making provision for liabilities, *etc.*

<sup>3</sup> Cf. first Report of the Ontario Municipal Commission of 1888, p. 22.

Canada has more immediately received, at least in outline, her municipal system. For this reason, and because New World influences also prevail in Canada, some features of city government in the United States may be used as a standard for comparison. In the simplicity of its detailed organization, however, urban government in Canada approximates rather to the English than to the American type.

Perhaps the most striking contrast between Canadian municipal organization and that in the United States lies in the fact that the one is in a state of free development, while the other is conditioned by the requirements of a system. In the one country the municipal constitution is changing from Parliament to Parliament, from session to session, unfolding new powers here, dropping others there, according as requirements dictate or experience advises; in the American Union the springing up of large towns and the rapid growth of great metropolitan centres have necessitated their being housed in administrative structures whose lines were suggested, as Mr. Bryce and others point out,<sup>1</sup> by the already existing state governments. That the process of adaptation has demanded many alterations was only to be expected; for city and state are so different, both from the standpoint of party politics and from that of general administration, that an organization which has been eminently successful for the larger unit may not be at all adapted to the smaller.<sup>2</sup> In Canada, on the other hand, the municipal organization is, in the main, a reliable reflection of local conditions. The series of municipal amendments passed from session to session of the provincial legislatures, mostly on the initiative of the local councils, bears this out. In Toronto, whose plan of action is characteristic of much of Canada, it is the practice to suggest to Parliament any changes in the municipal act that the experiences of the preceding year may have warranted. We may say, generally, that the civic

<sup>1</sup> Bryce, as cited, vol. i, ch. 1; and Goodnow, *Municipal Problems*, pp. 16, 21, where the author speaks of a too strict adherence in American municipal legislation to doctrinaire teachings.

<sup>2</sup> Cf. Eaton, *The Government of Municipalities*, pp. 63 ff.

organization of Canada is the outcome of a steady development covering half a century.<sup>1</sup>

A second important factor in Canadian municipal growth is the homogeneity of the population — setting aside the French element, which forms practically a distinct group in a single province.<sup>2</sup> In this respect, again, the contrast with the United States is marked. In 1891 in every 100 of our population 96.7 were British and 1.2 American born. This leaves but the small percentage of 2.1 to be divided among the various other nationalities. Or, considering Ottawa, Montreal and six out of the seven provincial capitals (that of Prince Edward Island not being specially referred to in the census report), we find that in 100 of the mean population of these cities only 5.6 were of foreign birth; or, excluding those born in the United States, but 3.21. A comparison in this regard with the latter country is striking. In every 100 of the mean population of fifty of its largest cities 30.77 are foreign born, while for the rest of the country the figures are 11.29. The homogeneity of Canada's population undoubtedly simplifies the problem of her city government. Montreal and Ottawa alone of Canadian cities appear to be somewhat trammelled in their municipal activity by racial and concomitant religious influences. Of

<sup>1</sup> The later development of Ontario's municipal institutions may be conveniently dated from 1849, when the Magna Charta of Upper Canada's local government, known as the Baldwin Municipal Act, became law. Quebec's municipal history dates practically from an ordinance of the Special Council of 1841 (4 Vic., c. 4), "to provide for the better internal government of this Province by the establishment of Local or Municipal Institutions therein." The Lower Canada Municipal and Roads Act, which is the basis of the present organization, was passed in 1855.

<sup>2</sup> The census of 1891 returns 1,404,974, or 29 per cent, of the Dominion's population as of French descent. As these figures are based on the *de jure* system of enumeration, under which people are enumerated according to their permanent domicile, they probably include many thousands, probably many tens of thousands, of French Canadians working in New England factories. Of these 1,186,346, or 85 per cent of those enumerated, are ascribed to the Province of Quebec. Quebec City, since the withdrawal of the British regulars some years ago, is now almost altogether French Canadian, although at present one or two of its aldermen are British Canadians. Of the 91,605 French Canadians (6.5 per cent of the whole) returned for Nova Scotia and New Brunswick very few appear in the larger towns or cities.



Montreal's population considerably over one-half is French Canadian, of Ottawa's one-third.

A restricted municipal franchise is another feature of urban Canada. In Nova Scotia and St. John's (Newfoundland) the qualification for municipal voters resembles that required in England—namely, twelve months' residence within the municipality and payment of poor and city rates, for which the voter must not be in arrears. For the one city of Prince Edward Island, Charlottetown, twelve months' residence and payment of the city poll tax is the minimum. In the cities of Ontario and in Calgary, the only incorporated city of the Northwest, ratepayers upon an income of \$400 may vote, and in the city of St. John, New Brunswick, ratepayers upon an income of \$300. Elsewhere, with the exception of Charlottetown, Prince Edward Island, where a poll tax of \$2 qualifies, a property qualification as owner or occupant is necessary. Ontario—as an alternative to income—and Manitoba demand a realty qualification of \$400; Montreal one of \$300, or an assessed annual value of \$30, which Quebec City makes \$25 for proprietors and \$50 for occupants. In New Brunswick the amount of the real-property qualification is not specified. In the four largest cities of British Columbia a six months' residence and an annual rental of \$60 in three instances, and \$100 in the fourth, are sufficient to qualify. But Chinese and Indians are not entitled to vote. In most cases the urban franchise is more conservative than the provincial.<sup>1</sup> This is particularly true of Ontario. It may, in fact, be said that throughout Canada the municipality is regarded more as a species of joint stock company, only those contributing the capital being allowed to share in the direction of its affairs.

<sup>1</sup> A comparison of the number of voters under provincial and municipal franchise, respectively, is of course not possible, because of the scattered properties of many owners and consequent duplications. Moreover, in city elections women are entitled to vote. By Act of 1898 (61 Vic, c. 14), we may mention, the provincial franchises were adopted as the basis for the federal elections in the respective provinces. In Ontario and the West the provincial franchise is practically universal after a certain term of residence; in the eastern provinces the suffrage is more restricted. Cf. "The Electoral Franchise in Canada," by T. Hodgins, Q. C., in *Encyclopedia of Canada*, vol. v.

That this is an extremely useful conception will be denied by few.<sup>1</sup>

But while homogeneity of population and a restricted franchise have undoubtedly favored municipal government in Canada, they do not altogether explain its remarkably placid course. An influence even more potent is to be found in the non-interference of political parties. Here again we have a striking contrast to conditions in the United States. Whether or not public opinion in Canada is, as is frequently stated, opposed on principle to the direct introduction of party politics into municipal matters, I will not venture to say. Partisan influences one cannot expect to be wholly neutral; in a few places they are decidedly active, though this is fortunately the exception. Some suggest, as a partial explanation of our exemption from political control, the smallness of many of our cities, the homogeneity of our population and the predominance of local interests and influences.<sup>2</sup> To this should be added the conservatism of our civic franchise, and certain regulations as to municipal patronage, through which political spoils are in part shielded from local politicians and in part removed to the broader and more suitable field of the province.

In the first place, municipal offices throughout Canada are filled, not by popular election, but through appointment by mayor and council. Moreover, as a rule, the appointments are not for a specified term, but in practice are permanent during good behavior. In one or two provinces police appointments

<sup>1</sup> That property owners, however, may at times require more protection against themselves than against the non-property-holding classes has been frequently remarked. The experience of Toronto, for instance, between 1885 and 1890, when miles of new streets were laid out and furnished with sewers and water and gas mains, far in advance of the real requirements of the city, is but the repetition of an incident in Philadelphia history, as commented upon by Allinson and Penrose (Philadelphia, 1681-1887; a History of Municipal Development, p. 278).

<sup>2</sup> In contrast to conditions in many parts of the American Union, the dates for provincial and federal elections are fixed quite independently of the municipal elections, with which they may be said practically never to conflict. This is the more likely since city elections, with but few exceptions, are held between the months of December and April.

have been placed in the hands of commissioners independent of the city council. In the second place, the liquor-license patronage, as already observed, has been transferred in most of the provinces from direct municipal control to provincial supervision. Ontario began the march in this direction in 1876, by entrusting the granting of all liquor licenses to a board of three liquor-license commissioners, appointed by the Lieutenant-Governor in Council,<sup>1</sup> reserving to each municipality the right to decide for itself how many licenses are to be granted within its limits. Manitoba followed in 1889, British Columbia in 1892,<sup>2</sup> New Brunswick in 1896 and the Northwest Territories in 1897. Quebec and Nova Scotia are accordingly the only other provinces of importance that preserve the older system of appointments. In Quebec Province, conformably to section 842 of the revised liquor-license law, the granting of a license is to be refused if opposed by a majority of the electors resident in the locality. In Quebec City the grant must be confirmed by the judge of the sessions of the peace or the city recorder; in Montreal, by the two judges of the sessions of the peace and the recorder, or any two of them.

In the cities of Ontario the police are under a board of commissioners, composed of the judge of the county court, the mayor, the police magistrate and a permanent official appointed by the city council. The same system of control is also met with in Winnipeg, and again in the cities of British Columbia, though here the place of the judge is taken by an appointee of the crown.<sup>3</sup> In Charlottetown, Prince

<sup>1</sup> According to the British North America Act of 1867, which is in effect the Constitution of Canada, the Dominion has exclusive powers in "the regulation of trade and commerce." It was, accordingly, for a considerable time uncertain whether the Dominion or the provinces had the right to grant liquor licenses. The decision of the Privy Council in England in 1884 finally settled the question in favor of the provinces.—Reference to this decision in Bourinot, *Manual of the Constitutional History of Canada*, ch. xiii.

<sup>2</sup> By Act of 1899 (c. 53) the Liquor-License Commissioners for any city of British Columbia are to consist of the mayor and two appointees of the Lieutenant-Governor, one of whom must be a member of the city council. The commissioners are appointed annually.

<sup>3</sup> By the act just cited a similar system to that outlined for License Commissioners has been adopted for Police Commissioners.

Edward Island, and St. John, New Brunswick, the police magistrate is appointed by the Lieutenant-Governor and is given general powers of supervision; otherwise and elsewhere in Canada the city council is the controlling body. St. John's, Newfoundland, appears to be policed by the "Terra Nova Constabulary," a body controlled by the general government.

It will not do to minimize the influence of these two sets of provisions — even though their application is not quite general — on the efficiency of Canadian city government. In fact, it will be hard to overestimate their importance for the cities of western Canada, and, as regards liquor-license patronage, for those of New Brunswick as well. In Nova Scotia, where a strong "prohibition" sentiment prevails, the importance of this patronage is somewhat diminished.

Another problem now under vigorous discussion in the United States is that as to the relation between state and city in local administration. As bearing on this matter it is to be noted, at the outset, that the seven large provinces of Canada and the four organized territories are much more important, relatively to their cities, than are the forty-nine states and territories of the Union. This is more or less apparent from their size alone. But up to the present there has been no pronounced attempt at administrative supervision, such as that afforded in England by the English Local Government Board. What measure of central supervision exists is exercised, as in the United States, solely by the legislatures. But, partly as the result of a vigorous local spirit, partly as the consequence of concentration of power and personal responsibility in the various cabinets, — which is much more marked in the provinces than in the federal government at Ottawa, — the provincial legislatures have uniformly displayed sufficient regard for the wishes of their municipalities; although, curiously enough, in most provinces it has so happened that the majority of city members have been for a long time identified with the parliamentary opposition. The fact remains, however, that theoretically our provincial legislatures have an overshadowing power, as compared with our cities. This power they bring

to bear either through legislation or administratively through financial grants — as, for instance, in connection with education. Besides the regulations already cited for liquor and police patronage, there are also provisions for sinking funds — which are very complete in Ontario ; for the limitation of municipal indebtedness — on the efficacy of which the recent financial history of Montreal may be consulted;<sup>1</sup> for boards of health, *etc.* In connection with the question of provincial supervision, another matter suggests itself — namely, the publication by the province of systematic and reliable municipal reports. This is necessary for both legislative and general financial information. Of late years more attention is being paid to the compilation and publication of such statistics by several of the provinces, based on the auditors' reports from the various cities. Ontario is well in advance in this regard. British Columbia has begun to follow, and Quebec also, though somewhat tentatively.

In the exercise of legislative control over cities, Ontario and Manitoba, where the circumstances permit it, pass, with few exceptions, only general laws. This is also the case in the other provinces, so far as towns and cities not specially incorporated are concerned.<sup>2</sup> The question of special and general laws, however, has not yet become matter of public debate, though it is referred to in the Ontario municipal report for 1888. Mr. Wilcox, in his convenient book on *The Study of City Government*,<sup>3</sup> states that more than half the commonwealths of the United States require that cities be organized by general laws or forbid the legislatures to pass any special laws affecting city charters. With us the provincial legislature is unrestricted. In Ontario especially the comparative equality of the cities has favored the possibility and efficacy of general

<sup>1</sup> J. Roy Perry, *Public Debts in Canada* (University of Toronto Economic Studies, 1898), pp. 80-82.

<sup>2</sup> Cf. for Ontario, the Municipal and Assessment Acts of 1897 ; for British Columbia, Municipal Act of 1881 ; for Manitoba, Act of 1888 ; for Northwest Territory, Act of 1894 ; for Quebec, Act of 1888 and Municipal Code of Quebec, 1898 ; for Prince Edward Island, Act of 1870 ; for Nova Scotia, Act of 1895 ; for New Brunswick, Act of 1898 and amendments thereto. <sup>3</sup> Pp. 87 *et seq.*

laws, with the result that changes in the municipal law have usually been followed with widespread interest, and the dangers of political pressure and of what is known as "log rolling" have been correspondingly minimized. Where distinctions are made in the application of laws, population is usually the basis adopted. Toronto is the only city in Ontario that may be called of the first class — of 100,000 inhabitants and over. An expert on Ontario municipal law and legislation, Mr. C. R. W. Biggar, Q. C., late city solicitor of Toronto,<sup>1</sup> has proposed to strengthen the influence of such general legislation by lowering the limit of cities of the first class to 50,000. This is undoubtedly a wise suggestion. One or two voices have also been heard suggesting the granting of special charters to the cities. At some future date particular charters may be advisable, but for reasons sufficiently apparent from a study of our municipal development they are assuredly not called for now, nor for many years to come.

In the mean time, an important innovation, in line with recent American reform policy, has gained a footing in Canada by way of Toronto, where the responsibility and dignity of the mayoral office have been increased. The aim was to separate the legislative and the administrative functions of the city council, and to this extent to fix responsibility for municipal policy. This was done by constituting a so-called board of control, composed of the mayor and three aldermen chosen by plenary vote of the council.<sup>2</sup> This board has sole power to prepare and submit the estimates for the year. Its actions, however, are subject to revision by a two-thirds vote of the council. The mayor, in his capacity as chairman of the board, has besides his first vote a casting vote in event of a tie. He accordingly requires the support of but one other member of the board in

<sup>1</sup> Editor of *The Municipal Manual* (6th ed.).

<sup>2</sup> In Canadian cities there is but a single representative chamber. The number of aldermen varies from nine to twenty-six, the largest number obtaining in Montreal. Toronto has twenty-four in its council. The above Board of Control was introduced in 1897. Its adoption was at first limited to cities of 100,000 and over, but later extended to those of 45,000, the city of Hamilton being specially excepted.

order to be practically supreme in the general policy of the city. Although many questions have been "referred back" to the board by the council, an adverse two-thirds vote has only lately been recorded. At the recent revision of Montreal's charter<sup>1</sup> the adoption of a similar system was proposed, and was only defeated in the legislature after a spirited effort. The charter, however, provides for a finance committee endowed with considerable powers. The committee is composed of seven of the aldermen, none of whom can be a member of another standing committee. It prepares the annual estimates and has the right to consider all recommendations involving financial outlay and the awarding of contracts. Its decision is subject to revision by a vote of three-fourths of the council. This partial centralizing of responsibility does not appear so far to have been particularly successful.<sup>2</sup> Whether the experiment in Toronto will have better results remains for the future to decide, as must be said of somewhat similar attempts in American cities, where "one-man power" is being essayed. It happens that the *personnel* of the board in Toronto has not always been such as to inspire full confidence on the part of the citizens. It was most probably a mistake to attach a slightly larger salary to the office of controller than to that of alderman. Either the additional sum paid to controllers should be materially increased and their office be made more of the nature of a commission, or the plan should be altogether abandoned.<sup>3</sup>

In the details of municipal administration in Canada, one or two matters invite attention. There is, in the first place, in some cities a certain indefiniteness in financial supervision over moneys received as taxes or from other sources, and, in the second place, a lack of system in the care of sinking funds.

<sup>1</sup> Assented to March 10, 1899. See Quebec Statutes, 62 Vic., c. 58.

<sup>2</sup> We may instance the recent conversion of Montreal bonds.

<sup>3</sup> An alderman in Toronto receives \$300, or, if he is chairman of a committee, \$400. A controller receives \$700. The council is now proposing to the legislature to increase the number of controllers to four and to abolish the mayor's double vote. It is further sought to have the controllers elected by general vote of the electors and the number of ward aldermen reduced to eighteen.

But, as regards financial supervision, conditions are not so serious as many surmises might lead one to imagine. Taxes and other city revenues are mostly paid by cheque; and it appears to be the practice in the great majority of our cities not to cash paper payable to the corporation, but to deposit it and draw money only on direct order from the city treasurer. In some localities, however, the treasurer's control over the tax collectors, it would seem, might be placed on a more effective basis than at present.

In the care of their sinking funds, the cities of Vancouver and Winnipeg stand apart, in having each a board of sinking-fund trustees. In each case the board consists of three members, two of whom are appointed by High Court judges. In other cities, so far as I have been able to learn, the sinking funds are controlled by the city treasurers. In their recent report, the auditors of the city of London, Ontario, suggest that city debentures might be better safeguarded by bearing a stamp to make them non-negotiable in the hands of persons who may become fraudulently possessed of them but available for sale in the open market. "The entire system of sinking-fund accumulations,"<sup>1</sup> they continue,—referring, of course, to their own city,—“needs revision, and, as far as similar results can be otherwise arrived at, should be superseded.” They refer to the difficulty in financing the funds for quinquennial periods and conclude by a comparison favorable to the policy of issuing annuities. In Ontario such a policy has been followed for some time by the province, but has given rise to a good deal of unfavorable discussion, because of consequent indefiniteness in connection with the provincial debt. It is, accordingly, just possible that a proposal to introduce the system of annuities into municipal finance might not meet with popular favor. But the proposal, so far as it concerns sinking funds, and not general liabilities, should not be thus prejudiced.

<sup>1</sup> They have presumably in mind only the management, not the measures looking to the formation, of sinking funds; for in Ontario ample provision is made by general law for repayment of loans by means of sinking funds within specific periods, varying according to the nature of the loan from three to twenty years.



Mr. Kinder's second point is that, while real wages have increased during the whole period from 1860 to 1891, the annual increase was greater in 1860-73 (during rising prices) than during 1873-91 (period of falling prices). It seems to me a bad statistical method to compare the percentage of increase from a low period (1860) to a very high period (1872-73) with the percentage of increase from this high period to a still higher one (1891); for the first member of the comparison is exaggerated and the second minimized. Mr. Kinder tries to justify it, on the ground that a rise of wages from one dollar to two dollars is more important for a workman than a rise from two dollars to three dollars. We are therefore, he contends, justified in representing the first as a rise of 100 per cent and the second as a rise of 50 per cent — that is, in assuming that the first rise is twice as important as the second. But this is clearly sophistical; for we are dealing, not with the diminishing utility to the individual of successive increments of the same commodity, but with the share of the social income which the laboring class is able to get. The first part of a man's wages is, indeed, necessary for absolute subsistence, and is thus of infinite value to him as an individual; yet that does not prove that later gains are not equally important as a measure of social progress. In fact, the higher the wages, the more difficult it is, as a rule, to get a further increase. If wages were pushed up by speculative activity to the very high point which they reached in 1873, I should say that it was proof of great power on the part of the laboring class that they were able to maintain them after 1873.

Mr. Kinder's third point is one which has often been brought forward, but never substantiated — namely, that the rise in real wages from 1873 to 1891 was more than offset by lack of employment. The only evidence he adduces for this important proposition is from manuscript studies of Dr. Charles B. Spahr. He does not show how it is possible to reconcile high wages with the competition of masses of men out of employment.

The foregoing are sufficient samples of Mr. Kinder's methods. Notwithstanding his ingenious analysis and imposing array of statistics, I doubt if in the present complicated system of industry and exchange we are prepared to accept the bald theses that prices depend upon the supply of the precious metals and that economic prosperity can be secured only by steady inflation.

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per thousand feet; in Montreal it is \$1.20 for lighting and \$1.00 for cooking purposes; in London the net price is 94 cents; in Hamilton it has just been reduced to \$1.00. The high price at which many of the enfranchised stocks are listed — some of the stocks, moreover, representing considerable “water” — goes to show the extremely healthy condition of the companies.

Although there is an inclination in several cities to exert a pressure on the prices fixed by enfranchised companies, — *e.g.*, in Toronto and Montreal on gas charges, — no very successful efforts have been made. In Toronto, where the Consumers' Gas Company has a perpetual charter and a present monopoly of the gas supply, an agreement was made some twelve years ago according to which the price of gas was to be reduced five cents per thousand feet when the reserve fund of the company had reached a certain figure. The experience of the city with the company, however, has proved but another illustration of the problems that arise in guarding public interests, even after the most careful legislation.<sup>1</sup> According to the report of the city auditor, the reduction in price since 1888 — namely, from \$1.12½ to 90 cents — should have been considerably greater. Whatever the truth of the matter, the whole subject will probably have to be settled ultimately by the courts. At the time of writing, the cities of Ontario are up in arms against the now notorious “scrap-iron assessments,” based upon recent revenue legislation. Under the interpretation adopted by the assessors, in fixing the valuation of the plant of street-railway, gas, telegraph, telephone and similar companies, their rails, mains, wires, *etc.*, are rated as “scrap.” Through this proceeding the assessment in Toronto for the past year has been reduced by over three million dollars.

As to municipal debts, the total indebtedness of our cities has greatly increased of late years. But a concurrent reduction in the rate of interest from six and seven to four, three and one-half and three per cent has largely counterbalanced these advances. The amount paid as interest by the thirteen cities

<sup>1</sup> Cf. W. D. Gregory, “Toronto, A Municipal Study,” *The Outlook*, February 5, 1898.

of Ontario in 1895 was less than in 1891, although the gross debenture debt had risen from thirty to thirty-six millions, and the net debt from somewhat over twenty-five to twenty-seven and three-quarter millions. At the same time, it is worth remarking that in this province the gross debenture indebtedness of counties and townships has been steadily declining, that of villages slightly advancing, and that of towns which have a population of from 2000 to 10,000 rising more rapidly than that of cities. In general indebtedness Montreal stands first amongst the cities, with a gross debt on December 31, 1898, of twenty-six millions; Toronto second, with twenty-one and three-fifths millions, but with a sinking fund of nearly five millions. These debts are not extravagant for cities of their size, and the credit of both municipalities is high. The following table allows a survey of some of the largest city debts.<sup>1</sup>

	YEAR ENDING.	POPULA- TION.	TOTAL DEBENTURE DEBT.	FLOATING INDEBTED- NESS.	SINKING FUNDS.	TAXA- TION PER HEAD.
The 13 cities of Ont.	31 Dec. '96	430,940	\$37,471,230	\$3,029,596	\$6,831,025	\$11.98
Toronto, Ont. . . .	31 Dec. '96	183,172	21,775,145	1,650,123	4,917,983	15.30
Ottawa, Ont. . . .	31 Dec. '96	53,727	3,378,245	607,046	1,002,907	9.08
Hamilton, Ont. . .	31 Dec. '96	50,035	3,636,773	140,886	113,421	10.74
London, Ont. . . .	31 Dec. '96	36,224	2,446,961	199,902	189,523	10.13
Montreal, Que. . .	31 Dec. '98	260,000*	23,744,401	2,273,010		
Quebec, Que. . . .	30 Apr. '98	65,000*	6,940,033		278,848	
Sherbrooke, Que. .	15 Dec. '98	10,470	497,000			
Winnipeg, Man. . .	30 Apr. '98	38,733	3,235,874			
St. John, N.B. . . .	31 Dec. '98	26,000*	3,516,492	835,719	345,417	
Halifax, N.S. . . .	31 Dec. '98	40,000	1,834,788	24,957		
Victoria, B.C. . . .	31 Dec. '96	19,000	1,804,000		314,298	
Westminster, B.C.	31 Dec. '96	7,500 *	995,000	97,261	70,000	
Vancouver, B.C. .	31 Dec. '96	20,000*	2,003,100	9,702		

<sup>1</sup> The figures are obtained, in the case of Ontario cities, from the reports of the Ontario Bureau of Industry, 1897, Pt. v, pp. 25, 114; in the case of Westminster and Vancouver, from the report of the Bureau of Statistics, 1896, pp. 960, 961; and for the rest from city reports.

\* Estimated population. On December 31, 1898, the indebtedness of the above-named four cities of Ontario was some \$962,000 less than at the close of 1896. The population of Toronto, as given, is probably too low by about 10,000.

An analysis of these debts shows that almost all have been incurred for local improvements and other necessary public works. Waterworks and education are two of the largest items. The Ontario Municipal Commission of 1888 make the statement that expenditure per head and unit of wealth is less in Canadian cities than in the cities of the United States. But such general comparisons are certainly of little value. For the general success of city government it is, of course, to the stamp of men commanding that we must look — the city aldermen and the heads of departments.

In most cities two unnecessary obstacles exclude many able men from the council. First, the losses and annoyances incidental to too frequent elections. Usually the mayor is elected annually by popular vote. An exception is Quebec City, where he is chosen from among the aldermen by a majority vote of the board, while in both Montreal and Quebec he holds office for two years. The aldermen are, as a rule, elected also for one year. In Halifax, however, their term is three years, one-third retiring annually; in St. John's, Newfoundland, two members of the council are appointed by the Governor-in-Council, and three elected by the ratepayers, all to hold office for three years. In Montreal and Quebec, in the two cities of Manitoba and in Vancouver, the aldermen sit for two years. But these instances are only a fraction of the total number of cities. A desirable general reform would be for all Canadian cities to increase the term of office of their mayor to (say) two years. As a matter of fact, in cities where the office is an annual one, it has almost become custom to reëlect a mayor, in order to allow him opportunity to develop his policy. As regards the council, the Halifax plan of electing aldermen has many features to commend itself.<sup>1</sup>

<sup>1</sup> In Ontario, during the last few years, many towns have abolished the ward system and adopted that of general representation. Last January advocates of the latter system succeeded in obtaining its adoption in one or two of the cities as well. There is certainly some ground for dissatisfaction with the present ward representation; for in nearly all Canadian cities the wards are quite too numerous. St. John, New Brunswick, it may be mentioned, has a combination of the two systems, in that one alderman is elected to its council by each ward and two aldermen by the whole city.

The second obstacle is the lack, in the vast majority of cases, of any fixed tradition of professional independence on the part of the chief municipal officials. Constant interference of aldermen in departmental routine cannot, in the long run, be other than extremely harmful to departmental work. At the same time, the increase in aldermanic duties that such a policy inevitably leads to deters desirable men from seeking service in the council. The demand on the time and attention of city representatives should not be unduly heavy. Municipal administration is, after all, mainly a technical task; and Canadian cities still require to insist upon greater independence and responsibility on the part of departmental heads. With this should be associated a much more complete system of reports from each department than at present.

On the whole, however, though perfection is not written across the face of city organization or administration in the Dominion, the basis of city government in Canada must be said to have been "well and truly laid." The conservatism of the urban franchise; the healthy homogeneity of city population, which the future will probably not affect to the same extent as in the United States; the general policy with regard to municipal patronage and the consequent absence of party politics in city elections; and, finally, the efficacy of "conservative innovations" and gradual growth and expansion of municipal legislation—these are features whose importance cannot be lost sight of. The phrase, "the one conspicuous failure," which Mr. Bryce, in speaking of governmental conditions in the United States, attaches to the government of cities in that country, will certainly not be applied to municipal government in Canada. And, though there are many problems yet to be solved, concerning the relations of province and city and matters more immediately affecting the details of municipal organization, the future of Canadian city government—which is itself becoming more and more uniform—is particularly promising.

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TORONTO, CANADA.